

REFERENCE TITLE: tax payments; electronic funds transfer

State of Arizona
House of Representatives
Fifty-sixth Legislature
Second Regular Session
2024

HB 2875

Introduced by
Representatives Carbone: Carter; Senator Mesnard

AN ACT

AMENDING SECTION 42-1129, ARIZONA REVISED STATUTES; RELATING TO TAX
ADMINISTRATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-1129, Arizona Revised Statutes, is amended to
3 read:

4 42-1129. Payment of tax by electronic funds transfer

5 A. The department may require by rule, consistent with the state
6 treasurer's cash management policies, that any tax administered pursuant
7 to this article, except for individual income tax or as required under
8 section 42-3053, be paid on or before the payment date prescribed by law
9 in monies that are immediately available to this state on the date of the
10 transfer as provided by subsection B of this section by any taxpayer that
11 owes:

12 1. \$20,000 or more for any taxable year beginning before January 1,
13 2019.

14 2. \$10,000 or more for any taxable year beginning from and after
15 December 31, 2018 through December 31, 2019.

16 3. \$5,000 or more for any taxable year beginning from and after
17 December 31, 2019 through December 31, 2020.

18 4. \$500 or more for any taxable year beginning from and after
19 December 31, 2020.

20 B. A payment in immediately available monies shall be made by
21 electronic funds transfer, with the state treasurer's approval, that
22 ensures the availability of the monies to this state on the date of
23 payment.

24 C. A taxpayer may apply to the director, on a form prescribed by
25 the department, for an annual waiver from the electronic payment
26 requirement prescribed by subsection B of this section. The application
27 must be received by the department on or before December 31. The director
28 may grant the waiver, which may be renewed, if any of the following
29 applies:

30 1. The taxpayer has no computer.

31 2. The taxpayer has no internet access.

32 3. Any other circumstance considered to be worthy by the director
33 exists, including the taxpayer having a sustained record of timely
34 payments and no delinquent tax account with the department.

35 D. The taxpayer shall furnish evidence as prescribed by the
36 department that an electronic payment was remitted on or before the due
37 date. FOR THE PURPOSES OF DETERMINING THE TIMELINESS OF ELECTRONIC
38 PAYMENTS MADE UNDER THIS SECTION, AN ELECTRONIC PAYMENT IS DEEMED TO HAVE
39 BEEN MADE AT THE DATE AND TIME, CONSISTENT WITH SECTION 1-242, THAT THE
40 TRANSMITTER OF THE ELECTRONIC PAYMENT THAT IS CERTIFIED BY THE DEPARTMENT
41 RECEIVES AUTHORIZATION FROM THE TAXPAYER'S FINANCIAL INSTITUTION FOR THE
42 ELECTRONIC PAYMENT.

43 E. A taxpayer who is required to pay by electronic funds transfer
44 but who fails to do so may be subject to the civil penalties prescribed by
45 section 42-1125, subsection 0.

1 F. A failure to make a timely payment in immediately available
2 monies as prescribed pursuant to this section is subject to the civil
3 penalties prescribed by section 42-1125, subsection D.

4 Sec. 2. Department of revenue; penalty abatement

5 Through December 31, 2024, the department of revenue may abate
6 penalties imposed pursuant to section 42-1125, Arizona Revised Statutes,
7 relating to the timeliness of an electronic payment pursuant to section
8 42-1129, Arizona Revised Statutes, as amended by this act, if the taxpayer
9 provides reasonable evidence from the taxpayer's financial institution or
10 the department of revenue of the successful and timely authorization of
11 the taxpayer's electronic funds transfer.